BUDGET UPDATE - FACULTY CONGRESS

February 17, 2010

Kathy Cutshaw
Vice Chancellor for
Administration, Finance & Operations
System-wide Budget Reductions and Restrictions
Biennium 2010-2011 - $100M

- **Mānoa**
  - $66M
  - (G-Fund Reduction: 25%)

- **Hilo**
  - $7M
  - (G-Fund Reduction: 20%)

- **Community Colleges**
  - $22M
  - (G-Fund Reduction: 19%)

- **West Oahu**
  - $1M
  - (G-Fund Reduction: 19%)

- **UH System**
  - $6M
  - (G-Fund Reduction: 12%)
### Biennium Reductions and Restrictions Detail

<table>
<thead>
<tr>
<th>Month</th>
<th>Manoa</th>
<th>Hilo</th>
<th>West Oahu</th>
<th>Comm College</th>
<th>UH System</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2008</td>
<td>3.1% $7.9M</td>
<td>3.4% $1.2M</td>
<td>3.0% $0.2M</td>
<td>2.8% $3.5M</td>
<td>1.6% $0.7M</td>
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<tr>
<td>May 2009</td>
<td>10.3% $26.2M</td>
<td>4.4% $1.6M</td>
<td>2.7% $0.2M</td>
<td>2.8% $3.5M</td>
<td>2.3% $1.0M</td>
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<tr>
<td>June 2009</td>
<td>11.5% $29.5M</td>
<td>11.6% $4.1M</td>
<td>12.5% $0.8M</td>
<td>11.2% $14.1M</td>
<td>8.2% $3.6M</td>
</tr>
</tbody>
</table>
Meeting the Legislative & Executive Restrictions (FY2010-2012)

**Total Reduction = $64 million**

- **Net Tuition, $8.7M (13.7%)**
- **Stimulus, $14.7M (23.1%)**
- **UHPA Adjustments, $10.5M (16.5%)**
- **HGEA & Exec. Adjustments, $3.4M (5.3%)**
- **Program Reductions, $26.4M (41.4%)**

**FY2012 Shortfall $7.0M (11.0%)**

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Projected Available Funds vs. Expenditures

- **Projected Available Funds vs. Expenditures**

- **Base Program Allocation**
- **UHPA Raise/Payback**
- **Fixed Commitments**
- **Available Funds**

- **2010**
  - $298M

- **2011**
  - $308M

- **2012**
  - $341M

- **2013**
  - $344M

- **2014**
  - $344M

- **2015**
  - $344M

**Fiscal Year**

- **2010**: +$4.1M
- **2011**: +$8.1M
- **2012**: -$7.0M
- **2013**: -$21.8M
- **2014**: -$42.6M
- **2015**: -$67.4M

**Available Funds**

- **2011**: +$8.1M
- **2012**: -$7.0M
- **2013**: -$21.8M
- **2014**: -$42.6M
- **2015**: -$67.4M

**Projected Available Funds**

- **2010**: $47M
- **2011**: $42M
- **2012**: $45M
- **2013**: $38M
- **2014**: $38M
- **2015**: $38M

**Expenditures**

- **Base Program Allocation**
- **UHPA Raise/Payback**
- **Fixed Commitments**
- **Available Funds**
Strategies

• Short-Term – by 2012
  – Deficit reduction - $7M
  – Investment - $5M

• Long-Term – “what if”
  – Increase enrollment
    » 1,500 new students in three years = $20M
  – Increase tuition
    » Flat enrollment with 5% increase = $52M
  – Retirements
    » 404 FTE, replacing with Ass’t prof = $18M
  – Operational Efficiencies

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